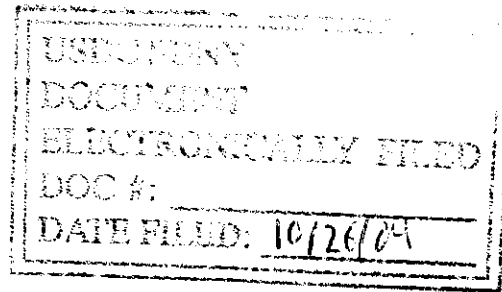


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Charles Hyman (CH-8676)
Richard A. Kissel (RK-0072)



UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

-----X
:
SR INTERNATIONAL BUSINESS :
INSURANCE COMPANY, :
Plaintiff, :
:
v. :
:
MCI, INC., BERNARD EBBERS, SCOTT :
D. SULLIVAN, BETTY L. VINSON, :
TROY M. NORMAND, BUFORD YATES :
JR, SUSAN G. BELL, CLIFFORD A. :
ALEXANDER JR., JAMES C. ALLEN, :
JUDITH AREEN, CARL J. AYCOCK, :
RONALD R. BEAUMONT, FRANCESCO :
GALES, STILES A. KELLETT JR, :
GORDON S MACKLIN, DAVID F. :
MYERS, JOHN A. PORTER, BERT C. :
ROBERTS JR., ESTATE OF JOHN W. :
SIDGMORE, LAWRENCE A. TUCKER, :
AND MAX E. BOBBIT, :
:
Defendants. :
-----X

Case Number: 04-CV-4567 (DLC)

STIPULATION AND ORDER

Plaintiff SR International Business Insurance Company ("SRI"), and defendant Scott D. Sullivan ("Sullivan"), by their attorneys, hereby agree that this action shall be, and hereby is, stayed as to defendant Sullivan subject to the following provisions:

1. Sullivan agrees to be bound by any court determinations made or issued in this Action, including decisions, judgments, orders and rulings, during the period this stay is in effect insofar as and to the same extent that such determinations apply to all defendants who have appeared, except to the extent that such decisions, judgments, orders and rulings might be inconsistent with the stay agreed to herein;

2. SRI agrees to be bound by any court determinations made or issued in this Action, including decisions, judgments, orders and rulings, during the period this stay is in effect to the same extent that it would be bound if Sullivan were an active party in the Action, except to the extent that such decisions, judgments, orders and rulings might be inconsistent with the stay agreed to herein;

3. During the period this stay is in effect, SRI agrees not to seek any discovery from Sullivan except as to the extent provided in paragraph 7 of this stipulation;

4. During the period this stay is in effect, Sullivan agrees not to assert any alleged rights with respect to the SRI Policy, and agrees not to assert in any proceeding that SRI breached any alleged obligation it had under the Policy during this period;

5. Sullivan is not required to respond to the complaint while this stay is in effect;

6. This stay shall automatically terminate immediately following Sullivan's sentencing for conspiracy to commit securities fraud, making false filings with the SEC, keeping false books and records, securities fraud and willfully causing WorldCom to file false and misleading financial documents, to which Sullivan pleaded guilty on March 2, 2004;

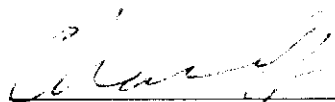
7. Sullivan agrees that after a verdict in Bernard Ebbers' Southern District of New York criminal proceeding, for which Sullivan is a cooperating witness, and until such time that this stay

automatically terminates as set forth in paragraph 6 of this stipulation, SRI will be entitled to limited discovery from Sullivan, to the extent that such discovery does not implicate his Fifth Amendment privileges;

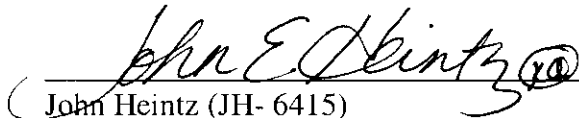
8. Either party may seek to terminate or modify this order at any time by agreement or by appropriate application to the court.

Dated: New York, New York

October 22, 2004

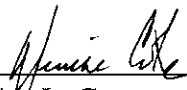


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SO ORDERED:



U.S.D.J., Denise L. Cote

Q. X. 26, 2004